



MANCAL CORPORATION

STATEMENT REGARDING MODERN SLAVERY, CHILD AND FORCED LABOUR 2023

This statement is published by Mancal Corporation (“**MCN**”) and its relevant subsidiaries in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) commonly referred to as Canada’s ‘Modern Slavery Act’ for the financial year ending December 31, 2023.

MCN is a privately owned investment company with a broad portfolio of assets including commercial real estate, oil and gas, coal and venture capital.

Slavery, human trafficking and child labour, and any other form of human rights abuse, have no place in our business. We recognize the important part we play in helping to ensure that our properties, places of business and supply chains are free from any such abuse. We are dedicated to conducting our business ethically and with integrity, fostering responsible practices across all our business activities and relationships.

Every individual within the organization shares the responsibility to be vigilant about potential risks in our operations and throughout our supply chain. Our people are instructed to report any observed or suspected unethical or inappropriate conduct, and our management is committed to taking prompt action.

Relevant Subsidiaries of MCN

*Mancal Energy Holdings Inc. (“**MEH**”)*

*Mancal Energy International Inc. (“**MEII**”)*

*Mancal Energy Inc. (“**MEI**”)*

The Modern Slavery Act

This statement is made on behalf of MCN, MEH, MEII and MEI (together, “**Mancal**”) pursuant to section 11 of the Act and constitutes Mancal’s forced labour and child labour statement and is intended to demonstrate the steps that Mancal has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods by our organization.

In publishing this annual statement, we confirm our ongoing commitment to the aims of the Act and outline our approach during the 2023 financial year. Given that the Act only came into force on January 1, 2024, that no guidance was issued until December 20, 2023 and our low risk, our specific activities in 2023 were somewhat limited.

Looking ahead, during 2024 we are reviewing our people policies to incorporate additional provisions dealing with anti-forced labour, human trafficking and child labour policies.

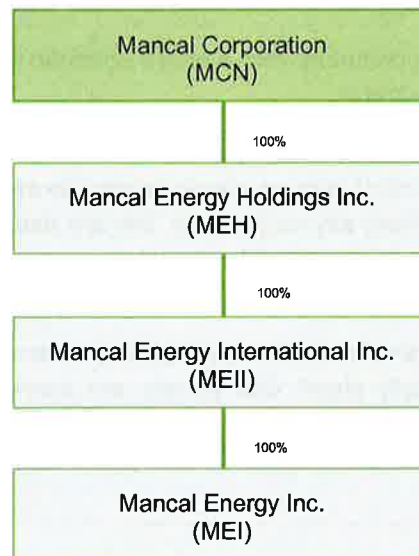
Our Business Structure, Activities and Supply Chains

As mentioned above, MCN is a private investment holding company with diverse interests.



MEI is the only subsidiary of MCN that produces and sells goods (oil and gas related products) in Canada or abroad which triggers the obligation to prepare, publish and file this report.

MCN, MEH, MEII and MEI are privately owned corporations incorporated under the *Business Corporations Act* (Alberta) and are based in Calgary, Alberta, Canada. The organizational chart below depicts the relevant portion of our organizational structure.



MEH and MEII are holding companies with no active operations or employees.

MCN employed 69 people at December 31, 2023, including 32 employees of MEI. All of our employees are over the age of 18 and are located in Alberta, Canada. Our workforce consists mainly of executives and professionals, including engineers, geologists, geophysicists and specialists in finance, accounting, treasury, tax, legal, company secretarial, information technology, human resources, health and safety and general business administration.

Founded in 1999, MEI is an upstream oil and gas developer, with operations currently exclusively in the province of Alberta. MEI explores for, develops and markets light oil, natural gas and natural gas liquids using proven and established technology.

Our Policies and Due Diligence Processes

In 2023, we continued to source a range of suppliers, contractors and materials to support our business. When appropriate, we worked with long-standing or key suppliers under multi-year frameworks following a tender process.

In terms of our visibility of our supply chain, we maintain records of our direct contractors and material suppliers (“**tier 1**”). Below this, we also know the identity of several of the significant subcontractors engaged by our tier 1 contractors (“**tier 2**”), as well as significant indirect material suppliers used in our



operations. However, like most companies, we recognize that we are less aware of the identity further down our supply chains of subcontractors and indirect material suppliers to the extent they are used outside of these areas and rely on measures implemented by our tier 1 suppliers.

Relevant policies to address modern slavery and human trafficking risk sit within a broader framework of policies that support Mancal's ethical behaviours.

In 2024, we expect to adopt a specific anti-modern slavery and human trafficking policy, which will apply to all of our personnel and businesses. This policy will make it clear that all forms of slavery and human trafficking are unacceptable to us and will require that steps be taken to help prevent these practices from occurring in our businesses and supply chains.

Our business meets or exceeds applicable employment laws and standards. We maintain our long-held commitment to the values of integrity, respect and trust, and all personnel are expected to demonstrate behaviour that lives up to these values.

Our people have access to MCN's whistleblowing "CARE" program, through which they can anonymously raise questions or concerns about potential wrongdoing or unethical behaviour.

Forced Labour and Child Labour Risk Assessment

In 2023, we considered the risk of modern slavery and human trafficking occurring within our own workforce to be negligible given our size, location of our centralized workforce, skills and professional services nature. All of our employees are located in Alberta and all are paid above a living wage. All employees are interviewed in person and are required to undergo criminal record, credit and reference checks as part of the hiring and onboarding process.

During 2024, other ongoing efforts to implement reasonable measures to prevent modern slavery within our supply chains are expected to include:

- Continuing to seek to work with contractors and third parties whose ethical values and reputational concerns are aligned with ours, using known personnel and subcontractors, and generally not relying solely on lowest cost as the procurement criterion.
- Incorporating an anti-modern slavery and human trafficking policy into our existing procurement process and asking our new suppliers to confirm their anti-modern slavery and human trafficking practices for all engagements of material value.

We consider our general human resource hiring and onboarding processes to be sufficient to mitigate risk of modern slavery and human trafficking in our own workforce, however, it should be noted that this risk was assessed to be negligible due to the location, nature and size of our primarily professional workforce.

Remediation Measures

Our "CARE" whistleblower hotline allows employees to raise concerns anonymously and all employees are encouraged to speak up if they suspect or witness or experience misconduct or unethical behavior.



In 2023 we did not identify any instances of forced labour or child labour in our activities or supply chain.

Remediation of Loss of Income

In 2023 we did not identify any instances of forced labour or child labour in our activities or supply chain.

Training and Communication

To enhance understanding of modern slavery and human trafficking risks, briefings are being approved and will be provided to Directors and employees.

Effectiveness and Performance Management

Employees and contractors are encouraged to ask questions, voice concerns and make suggestions regarding our business practices. Depending on the subject matter of the question, concern or suggestion, each employee has access to alternative channels of communication ranging from their supervisors, the human resources department or legal department.

Our "CARE" whistleblower hotline allows employees to raise concerns anonymously and all employees are encouraged to speak up if they suspect or witness or experience misconduct or unethical behavior.

Approval

This statement has been approved by the boards of MCN, MEH, MEII and MEI.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Stephen J.J. Letwin
President & CEO and Director, Mancal Corporation
May 29, 2024

*I have the authority to bind Mancal Corporation,
Mancal Energy Holdings Inc.,
Mancal Energy International Inc., and
Mancal Energy Inc.*